

The Honorable Melvin R. Laird

You recently indicated to Mr. Carver your general concern about current developments in the Philippines. In light of this concern, we have prepared the attached informal summary memorandum for your information and use.

Richard Helms

Attachment

4 March 1969

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MEMORANDUM

SUBJECT: The Situation in the Philippines

1. Over the past decade or so, a severe malaise has come to grip the social, political and economic life of the Philippines. Domestic problems have become intractable and relatively able men such as President Ferdinand Marcos and his predecessors have been unable or unwilling to carry out the kind of reform required even to begin to bridge the gap between the very few rich and the very many poor. There is, therefore, cause for serious concern about the long-term prospects for survival of the Philippine democracy.

2. Over the next few years, however, the chances of any major political instability are probably small. The Huk movement in Central Luzon has revived over the past few years, but it is a weak caricature of the Communist-led insurgency that once threatened the republic. The Huks now number less than 200 armed men and seem more interested in extorting money from local politicians, landlords and businessmen than in generating revolutionary sentiment among the peasants. Nevertheless, they still retain an estimated 25,000 adherents in Central Luzon and dominate much of the politics of the region. They appear to have gained control of the police, politics, and rackets of Angeles City, adjacent to Clark Air Force Base.

3. If stimulated toward ideological goals, the Huks may, in time, join forces with the "New Left" movement or the reviving Communist party that have been gaining strength in the Manila area. This movement, is still relatively small and impotent, and is

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divided into numerous contending factions. But a semblance of "united front" strategy has begun to emerge and the leaders are gaining support for some of their objectives from leftist-inclined intellectuals, teachers, newsmen, and from within the government bureaucracy itself. Indeed, a few influential members of the Marcos Administration are at least sympathetic to the leftist cause.

4. The basis of the leftist appeal in Manila is anti-Americanism. The doctrine of the "New Left" is directed mainly at the younger generation of Filipinos who know and care little about past friendships with the U. S. The thrust of leftist (and ultra-nationalist) arguments is that U. S. influence -- the military bases, the privileged business position, and the pervasive American cultural influence -- has blocked real independence for the Philippines. The solution: to reduce and, ultimately, to expel these unwanted influences.

5. The special relationship between the U. S. and the Philippines has always made leaders in Manila vulnerable to charges of sacrificing Philippine interests to those of the U. S. It is not uncommon, therefore, that even America's staunchest Filipino friends occasionally feel compelled to prove their nationalist zeal and independence of Washington's influence. Recent actions of President Marcos and Foreign Secretary Romulo have certain aspects of this. Both have had strong United States ties and know that the alliance with the United States is still generally approved in the Philippines. But they also realize that the Philippine public has become increasingly sensitive to the inequities which many see in the agreements governing United States bases in the country and in certain bilateral economic arrangements. With National elections scheduled for late this year, they see political capital to be derived from various anti-United States statements. However there is also considerable evidence that they sincerely believe the old concepts are no longer valid.

6. Thus, while Marcos and Romulo do not intend any rupture with the United States, recent developments probably represent more than politicking or improving their bargaining position for treaty negotiations. For example, recent official statements in favor of opening trade relations with the Eastern European Communist States serve several purposes. The way is opened for gaining new markets, the political opposition is outflanked, and the Government has at least

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a potential counterweight to United States influence which may make us more solicitous of Manila's views. It is unlikely that this will presage any dramatic change of Philippine policy, but pressure on at least the trappings of United States influence in the country is a distinct possibility.

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4 March 1969

Messrs. R. J. Smith

Abbot Smith

C. Ernest Godfrey

At a recent meeting, Secretary Laird indicated concern about the Philippines and asked some questions about the general situation and to which I made very general replies, explaining that the Philippines did not fall within my area of primary concern but promising that I would have the Secretary sent a short memorandum addressing itself to the current situation in the Philippines. The attached is the memorandum that was sent on Tuesday, 4 March. It was drafted in ONE/FE and coordinated with OCI and PDV/FE.

George A. Carter, Jr.

Special Assistant for Vietnamese Affairs

Attachment

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Buckslips to each of the above addressees w/att

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